



USAID
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INDONESIA

Amendment No. : 01

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Closing Time for Submission : 3:00 pm (Jakarta Time)

E-mail Submission to : aps10-003@usaid.gov

**Subject: ANNUAL PROGRAM STATEMENT (APS) No. Indonesia 10-003
STRENGTHENING INTEGRITY AND ACCOUNTABILITY PROGRAM II
(SIAP - II)**

This amendment is issued to respond to questions which were received prior to the closing date for acceptance of questions, November 30, 2009.

1. Does the Agreement Officer of USAID/Indonesia allow our NGO to participate with a special note, it would be helpful for us in Eastern Indonesia particularly post-conflict area.

Answer: The objective of SIAP is to contribute to good governance and economic growth in Indonesia by strengthening integrity and accountability in government. Applications should focus on issues of integrity and accountability. There are no restrictions on geographic location of applicant organization or their activities, as long as it is in Indonesia.

2. Our organization is a nineteen year old Indonesian limited liability entity that has done complex technical assistance work for the ADB and World Bank, particularly in governance and accountability. The firm does not have approved forward pricing rates, and has not yet managed a contract with indirect rates, governed by applicable cost standards stated in 22 CFR 226 and the Federal Acquisition Regulation (FAR) Part 31 for-profit organizations.

Question: Other than a pre-award survey, how may a bona fide Indonesian entity submit to and obtain USAID approval for its indirect rate structure?

Answer: The indirect rate structure will be determined based on the Financial Audit Report. As indicated in the APS page 19, the Applicant should submit financial reports for the previous 3-year period, which have been audited by a certified public accountant.

3. APS page 5 of 28, at the second paragraph, is it means that we are to submit application or the third component only (SIAP II)? Since you mentioned that component 1 and 2

are implemented through CA (SIAP I)? Or could we also submit application for component 1 and 2?

Answer: The SIAP-II APS supports activities described in component 3. Applicants interested in components 1 and 2 should refer to RFA for SIAP 1

4. Can we submit the applications more than once? If we failed on the 1'st round, can we submit application on the 2'nd or 3'rd round?

Answer: Yes.

5. Does the budget ranged between Rp.2.700.000.000 and Rp.13.500.000.000 must be allocated for 1 year or 3 years?

Answer: The minimum amount available for each grant is Rp.2.700.000.000 and the maximum amount is Rp.13.500.000,000. The minimum period for each grant is one year and the maximum period is 3 years. Applicants should propose allocations that meet this criteria.

6. Is it possible to apply a simultaneous program for two or more separate objects/locations for example two districts?

Answer: Yes, it is possible.

7. Kindly clarify whether it is compulsory for local Indonesian organizations to be in partnership with US and non-US organizations. In point 6.1 regarding eligibility bullet 1 it reads as if it is compulsory, yet in bullet 3 it uses the words "may provide" for partnering with other organizations, which implies that it is optional. If it is compulsory, are there specific conditions for the type of organizations we partner with?

Answer: The partnership with foreign NGOs is not compulsory. If there is such partnership, the objective of partnering must be to build the capacity and accountability of the Indonesian organization. The type of foreign NGOs can vary such as: non-governmental organizations, for profit organizations which forego profit or fee, foundations, faith based organizations, community based organizations, private organizations affiliated with public academic institutions and international non-governmental organizations, private companies, professional associations and consortia of the above.

8. Regarding public-private partnerships, if, for example, our organization believes that partnering with a PR company or media consultancy company would be useful in capacity building and supporting watchdog CSOs to effectively disseminate their monitoring results, would this be allowed?

Answer: Yes, see answer above.

What are the terms that must be fulfilled for entering such a relationship with a private company?

Answer: None

Are there limitations on the kind of private companies we are allowed to collaborate with?

Answer: No

9. Herewith, I kindly require any information relating with the one of attachment files that shall be fulfilled on the proposal. On page 19 of 28, each participant shall enclose ***copies of the applicant's financial reports for the previous 3-year period, which have been audited by a CPA or other auditor satisfactory to USAID.*** If the participant (one local NGO) like Yayasan Pelita Madani is less than 3 years legally established and have no such financial reports, do you think it may be permitted to apply for this APS?

Answer: This APS targets CSOs that are registered, well managed and have relatively good financial management. A new NGO may build partnerships with a more mature and stronger NGO in order to build its capacity and submit an application in partnership with a stronger NGO.

10. We understand that there will be 3 rounds for application submission. We would like to know if it will be possible for one organization, such as Partnership, to submit application more than one round with a similar or different proposal? For SIAP 2, is it required to have an international partner or can it only be a consortium of Indonesian organizations (nationals and locals)?

Answer: An organization may submit no more than one application in each round of selection. International partners are not required. Consortia may apply, but there must be a lead organization.

11. a. Whether the terms of Democratic Governance could also include the governance in the sectoral context. For example, the corruption in the forestry sector caused by corrupted and weak integrity and systems, in transparent and in accountable in the decision making processes, also influenced by the corruption of political processes that caused by money politics. So our proposal will relate with the governance case in the forestry sector;

Answer: Yes. Applicants may address integrity and accountability in a particular sector.

b. The scope of our proposal will use the regional approach as we are working in a coalition with our regional local units in China, Malaysia, Solomon Islands and Papua New Guinea, and we Indonesia as the Center. So in this regard we need to clarify whether our proposal could include the governance matter in the regional context of Asia Pacific. If it OK then we plan to submit our proposal.

Answer: The APS is strictly for activities in Indonesia.

12. Since we aware that ourselves is in form of private and commercial company, not the non-profit organization, we would like to ask you whether we are allowed to propose for this activity.

Answer: Information on eligible organization is provided in the APS. Applicants must be non-governmental organizations or private sector organizations that are willing to forgo profit or fee.

Public-private partnership is also allowed. However, the partnership is not simply an expression by an applicant of its intention to seek third-party partnerships that are not yet formed. Evidence of public-private partnership commitments and roles must be articulated and provided in the form of agreement document(s) signed by authorized corporate agents/officers of all parties involved.

13. Apakah program SIAP II ini, dalam arti pengalokasian dana hibah program SIAP II, dapat ditujukan untuk pengembangan kapasitas Partai Politik sebagai pabrik masyarakat madani? [English translation: *Can SIAP-II APS be allocated for program on capacity building for Political parties to be a source for civilized society*]

Answer: The objective of SIAP2 is to contribute to democratic governance and economic growth in Indonesia by supporting citizen- and media-based efforts to strengthen integrity and accountability. This includes support to CSOs and the media for monitoring and advocacy as well as for innovative efforts to create a “culture of accountability.”

14. **UNDER ‘PURPOSE STATEMENT’** Reference: Page 5 of 28

a) ‘Providing support to citizen- and media-based efforts to strengthen integrity and accountability’ – building on the mention of citizen-based efforts, besides the CSO’s and the media, which segment of society [citizens, private and public organizations] is USAID expecting the Program to cover in addition to Professional Organizations?

Answer: The SIAP-2 APS document states that Professional organization is one of the types of organizations that can submit proposals for this APS. Other types of organizations stated in the APS2 document are also eligible.

b) For SIAP-2, it is mentioned that the 1st award will be in March 2010 followed by August 2010 and January 2011. This represents basically 1 year during which awards will be given to successful recipients. USAID/Indonesia will not consider any applications below a minimum amount of Rp 2,700,000,000 or above a maximum amount of Rp 13,500,000,000. Would it be right for us to assume that the USAID / Indonesia’s consideration for applications due 31 Dec 2009 will translate to the

application amount of Rp 2,700,000,000 – Rp 13,500,000,000 being awarded in March 2010?

Answer: The dates are deadlines for applicants to submit their proposals in each round. The minimum amount available for a single application is Rp. 2,700,000,000, the maximum amount is Rp 13,500,000,000.

c) If there are inter-dependencies between Component 1 and 2 [SIAP-1] and SIAP-2 [Component 3 – focus of this APS], what are they, and what kind of indicators of success for both programs are expected by USAID / Indonesia?

Answer: The indicators of success are written separately for SIAP 1 and SIAP 2. USAID/Indonesia treats incoming applications separately for the two programs. Applicants responding to the APS should apply for SIAP-2. SIAP-1 has a separate application process.

15. UNDER ‘BACKGROUND’: REQUEST FOR MORE INFORMATION

DG Strategy and Planned Activities [Diagram on Page 7 of 28]:

We would like to request for documents / materials / information [preferably in softcopy] related to the following:

- a) Changes for Justice [C4J]
- b) Legal Education / Civil Society
- c) Strengthening Integrity and Accountability Project I – SIAP-1 [APS]
- d) USAID/DG’s Assistance Objective for 2009-2014 [‘Making Democratic Governance Deliver’]
- e) Cross Cutting Program: Strengthened Capacity for Sustainable Peace-building
- f) SERASI – Peace Building Project (ongoing to 2/11)
- g) RESPECT – Human Rights Project (ongoing to 9/10)
- h) DG Strategy and Planned Activities
- i) IR 1: Rule of law and accountability strengthened

Answer: Some of these documents are available on our website:

<http://indonesia.usaid.gov/en/Program.3.aspx>

16. UNDER ‘BACKGROUND’: CLARIFICATION REQUIRED Page 6 of 28

a) Are there any qualitative or quantitative measures or indicators related to the ‘impediments’ mentioned herein that can be extended to us?

Answer: No. USAID does not require any measure or indicators related to “impediments”.

b) Is there a research report that provides relevant information on such ‘impediments’? If there is such a report, we would like to request a copy of the report.

Answer: You may seek the report by this link:
<http://indonesia.usaid.gov/en/Page.StrategyDevelopment.aspx>

c) We would like to request for the documentation related to Indonesia's USAID/DG's Assistance Objective for 2009-2014: 'Making Democratic Governance Deliver'.
From the diagram on Page 7 of 28,

Answer: You may seek the document by this link:
<http://indonesia.usaid.gov/en/Article.383.aspx>

d) Are there any inter-dependencies between SIAP-1 and SIAP-2 in terms of integration, critical success factors, implications, desired impact and outcomes?

Answer: Interdependencies are described in the SIAP-2 APS document.

e) There is a 'Cross Cutting Program: Strengthened Capacity for Sustainable Peace-Building' – could you please indicate how the programs under the 4 Project Titles are linked and integrated and in terms of undertaking, are these Programs [under the 3 other Project Titles besides SIAP] due for completion by 2012 as well?

Answer: You may learn about our program of sustainable peace-building from the links: <http://indonesia.usaid.gov/en/Program.3.aspx> and <http://indonesia.usaid.gov/en/Article.383.aspx>.

f) IR 1: Rule of Law and Accountability Strengthened – what would be the success criteria or indicators that need to be achieved in order to recognize that IR 1 has been attained.

Answer: You may learn about our program of Rule of Law and Accountability from the same links: <http://indonesia.usaid.gov/en/Program.3.aspx> and <http://indonesia.usaid.gov/en/Article.383.aspx>.

g) Sub IR 1.2.: Accountability Strengthened – what would be the success criteria or indicators that will have been achieved to attain IR 1.2 when SIAP-1 has been implemented successfully?

Answer: If you would like to submit an application for SIAP 2, you should concentrate your attention in SIAP-2 APS document. For SIAP 1, there is a different procurement document.

If you would like to know about the SIAP 1 procurement document, use the following instruction: a) web site <http://www.grants.gov> ; Click on "Find Grant Opportunities", then click on "Browse by Agency" ; Choose "Agency for International Development", then choose "sort by open date".

h) Sub IR 1.2.: Accountability Strengthened – what would be the success criteria or indicators that will have been achieved to attain IR 1.2 when SIAP-2 [this APS] has been implemented successfully?

Answer: We have already written expected results of SIAP 2 in the APS document. Please see pages 11 -12.

i) Are all the Programs under each of the 4 Project Titles going to be implemented sequentially, concurrently or in an over-lapping schedule?

Answer: The various programs of USAID/DG will be implemented concurrently.

17. UNDER ‘PROBLEM STATEMENT’ Page 8 of 28

a) The mention of ‘weak integrity systems’, can we assume that the related issues and challenges will be addressed under SIAP-1 and not SIAP-2?

Answer: Please see both documents of SIAP-1 and SIAP-2 to get our explanation on the issues.

b) Taking things into the context of SIAP-2, we appreciate the need to institutionalize integrity and accountability and we recognize the need to focus on CSO’s in particular. In terms of ‘citizen-based’ efforts, is USAID/DG expecting our proposal to cover other stakeholders in the form of other societal organizations [non-commercial organizations] and private businesses [commercial organizations]? If affirmative, what kinds of societal organizations and commercial organizations would USAID/DG want us to include in our proposal?

Answer: The applicant may propose any combination of organizations in its application as long as it meets the requirements of the SIAP-2 APS.

18. UNDER ‘DEVELOPMENT HYPOTHESIS’ Page 9 of 28

a) Ingredients 5, 6 and 7 were mentioned as the 3 key ingredients to which SIAP-2 will contribute. Ingredient 5 [Effective accountability bodies] is included under SIAP-2 where the capacity and effectiveness of the KPK, BPK and other accountability agencies are to be made stronger. These agencies are already mentioned in SIAP-1 [Supporting key accountabilities like KPK and BPK]. How then does Ingredient 5 fit within the context of SIAP-2?

Answer: The “ingredients” are described as part of the development hypothesis for both SIAP1 and SIAP2. Taken together, they describe the ingredients necessary in order strengthen accountability and integrity in government. This is provided to applicants as part of background information only.

b) Ingredient 7: Societal Cultural Support – would it be right for us to assume that this

ingredient is relevant to the statement of ‘the public must expect and/or demand greater accountability and integrity from their elected leaders and government.’ If so, with the CSO’s in the picture for SIAP-2, are we looking at another new role for CSO’s to help channel the public’s expectations to the government on matters of accountability and integrity ?

Answer: The applicant may propose any combination of ideas or activities in its application, as long as it meets the requirements of the SIAP-2 APS.

19. UNDER ‘PROGRAM DESCRIPTION’ Page 10 of 28

a) Under the Activities of Intermediate Results 2, there is a mention of CSO/Think Tank monitoring and analysis of political financing. Is there any relation to the activities outlined under SIAP-2 [Intermediate Results 3]? Is yes, could you please provide more details?

Answer: Only IR-3 is relevant to SIAP-2. IR-1 and IR-2 will be addressed through the SIAP-1 program.

b) The statement under 5.1 Program Objectives – ‘This will include support to CSOs and the media for monitoring and advocacy as well as for innovative efforts to create a culture of accountability’ – would it be correct for us to focus on the activities of CSO’s that involve advocacy to the government and ‘monitoring’ the accountability of the government on such matters, whilst creating a culture of accountability amongst the CSO’s themselves in the undertaking of their own initiatives and programs that are not related to advocacy?

Answer: The applicant may propose any combination of ideas or activities in its application, as long as it meets the requirements of the SIAP-2 APS.

20. INSTRUCTIONS TO APPLICANTS Page 14 of 28

a) Section 6.3: Anticipated Funding Availability [USD 700,000] – by second round of the APS, do you mean the 2nd round of response to an RFP due 31 May 2010 and the second round of award in August 2010?

Answer: Applications for Round 2 are due by May 31, 2010. USAID anticipates announcing the winner(s) by August 31, 2010.

21. USAID SIGNIFICANT INVOLVEMENT Page 15 of 28: Section 6.5: Types of Awards / Substantial Involvement

a. What kind scenario, indicators or criteria would cause USAID to opt for Cooperative Agreement for each of the involvement areas listed therein?

Answer: USAID reserves the right to award a cooperative agreement or a grant as result of this APS. Only Cooperative Agreement has substantial involvement.

b. Will USAID be bearing the costs of its resources in these involvement areas and what will be the treatment be like for the funding allocated to execute those areas ?

Answer: No additional cost and no different funding allocation required for substantial involvement.

c. What would the process be like for the facilitation of USAID's participation and involvement in the project undertaking?

Answer: The intended purpose of USAID's substantial involvement during the administration of an award is to help the recipient achieve the supported objectives of the agreement. Detail information on USAID's substantial involvement could be read from ADS 303.3.11, from <http://www.usaid.gov/policy/ads/300/303.pdf>

d. When will the Recipient be informed about USAID's decision to award a cooperative agreement instead of a grant and how will USAID work with the Recipient to re-align its project undertaking in the light of USAID's significant involvement?

Answer: This will be done prior to executing the award.

e. USAID substantial involvement – would it mean that USAID may appoint another organization of its choice to manage USAID's involvement or would it involve strictly USAID internal resources?

Answer: We anticipate that USAID's substantial involvement will be carried out directly by USAID.

f. USAID approval of a program monitoring and evaluation (M&E) plan (to the extent that such information is not included in the application) – who will prepare this M&E plan, how will the Recipient and USAID work in joint collaboration and how will the efforts of preparing this plan be funded?

Answer: The program monitoring and evaluation plan and all other documents included in the application package shall be prepared at the expense of the applicant.

g. USAID monitoring to permit direction and redirection because of interrelationships with other projects - when will the Recipient be informed of such an intention and will USAID fund the resources to be deployed to fulfill this intention? When this occurs, the implications on additional resources will need to be considered, will this warrant the initiative on the part of USAID to provide additional funding to the Recipient?

Answer: It is too early to predict whether (1) redirection will be necessary, or (2) redirection would require a modification to recipient budget and activities.

h. USAID specific program interventions. – What kinds of program interventions would they be?

Answer: If any, this will be determined prior the award.

In addition to the above questions and answers, the following paragraph is inserted in Section A. 6.3 – ANTICIPATED FUNDING AVAILABILITY:

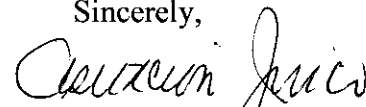
“SIAP funding will not be used to provide training or advice, or provide any financial support, for police, prisons, or other law enforcement forces.”

The closing date of this solicitation remain unchanged. Proposals are to be submitted in accordance with the specifications in Section B – Application Format of the solicitation.

No further questions will be entertained under this solicitation.

Except as specifically amended herein, all other terms and conditions of the subject APS remains unchanged and in full force and effect.

Sincerely,



Asuncion Juico
Agreement Officer
USAID/Indonesia